

**ESG NOFA**  
**Questions and Responses as of 9/1/2016**

We do not see a mention of a maximum percentage of allowable administrative costs. I know for the recent State ESG application, admin costs were capped at a maximum of 10% unless the organization had a federal approved indirect cost rate at a higher percentage. Would this NOFA have the same requirements?

The City has not designated a maximum percentage of allowable administrative costs, however, administrative costs cannot be paid by ESG grant funds, but can be used as match.

Administrative costs do not include staff and overhead costs directly related to carrying out program components, which are eligible expenses. ESG funds may also be used for associated Homeless Management Information System (HMIS) costs.

I know the homeless clients have to be from the city of Escondido but do the services have to be provided there or could we provide the services in El Cajon at a program we have there. We are thinking we could do outreach in Escondido but services out of El Cajon.

Services must be practical to homeless clients from Escondido. While services do not have to be offered in Escondido, providers must be able to show how clients will be able to access services.

Will the City of Escondido require Housing First practices for ESG funded recipients? The HUD Interim Rule of 2011 *does not require* this of the City of Escondido, however the City seems to have limited its ability by connecting itself to the local HUD RCCC, *which does* require recipients of HUD funding to be housed in programs that allow active illegal drug use.

HUD regulations stipulate that each recipient must consult with the local Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG funds. The City will thereby follow with the San Diego Regional Continuum of Care Council's guidance regarding Housing First practices.

**§576.400 Area-wide systems coordination requirements.**

- (a) *Consultation with Continuums of Care.*
- (b) *Coordination with other targeted homeless services.*
- (d) *Centralized or coordinated assessment.*

What is the maximum period of assistance for the rapid re-housing and homelessness prevention programs?

ESG program participants may receive up to 24 months of rental assistance during any 3-year period or 12 months of sequential assistance. Program participant's eligibility and the types and amounts of assistance the participant needs must be re-evaluated not less than once every 3 months for program participants receiving homeless prevention assistance and not less than once annually for program participants who are receiving rapid re-housing assistance.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair.